

1 William L. Hames, WSBA #12193
2 Hames, Anderson, Whitlow & O'Leary, P.S.
3 601 W. Kennewick Avenue
4 P.O. BOX 5498
5 Kennewick, WA 99336-0498
6 (509) 586-7797/ (509) 586-3674 fax
7 BillH@hawlaw.com

8 UNITED STATES BANKRUPTCY COURT
9 EASTERN DISTRICT OF WASHINGTON

10 In re: } Case No. 18-03197-FPC11
11 GIGA WATT INC, } LIMITED OBJECTION TO CHAPTER 11
12 Debtor. } TRUSTEE'S MOTION FOR ORDER
APPROVING SALE OF EQUIPMENT
FREE AND CLEAR OF LIENS

13 Comes now the Chelan Douglas Regional Port Authority, formerly the Port of
14 Douglas County (the "Port") and raises a limited objection to the Trustee's motion. The
15 Port does not object to the Trustee's sale of the personal property to Gibb Compute
16 LLC or the overbid procedures outlined in the Trustee's motion. However, the Port
17 does object to what is not in the Purchase and Sale Agreement.

18 As was previously established in the Port's motion for relief from stay, the
19 current lease between the Port and Debtor was not assumed and is therefore rejected.
20 The lease was terminated prior to filing and there is currently no lease in effect.

21 Paragraph 13 of the Purchase and Sale Agreement (ECF 519-2, page 5 of 11)
22 indicates that the buyer shall indemnify the seller against any damage to the real
23 property, which real property is the Port's property, that is caused by "buyer's **gross**
24 negligence". Paragraph 1 of the Purchase and Sale Agreement (ECF 519-2, page 2 of
25 11) indicates the buyer is not required to remove all Debtor's equipment. Currently

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1 there is equipment, debris, and underground conduit left by Debtor that remains on the
2 Port's real property along with the pods. The last sentence of that paragraph, which is
3 at the top of page 3 of ECF 519-2, indicates the buyer may, but is not obligated to,
4 demolish or remove any pods.

5 The Port's objection is that there may be debris and/or equipment left on the
6 Port's real property after the purchaser removes the items it agrees to purchase. The
7 Purchase and Sale Agreement allows the purchaser to cherry-pick personal property.
8 Therefore, there could be substantial debris, underground conduit, and junk left from
9 Debtor that would remain on the Port's property after purchaser removes the items of
10 equipment it chooses to purchase. The Port wants to be assured that ALL personal
11 property is to be removed, whether the purchaser elects to purchase it or not.

12 The Port further objects because the Port is not being indemnified by either the
13 purchaser or the Trustee. Therefore, the Port requests the court to order the Trustee
14 to indemnify the Port against any and all claims of any nature and to any extent
15 brought by any party whatsoever, for any claims, actions, causes of action, demands,
16 rights, damages, costs, loss of service, expenses and compensation whatsoever,
17 which any party brings against the Port, which may accrue in any way out of the sale
18 and removal of personal property by purchaser or removal of any remaining debris by
19 the Chapter 11 Trustee.

20 DATED this 6th day of April 2020.

21 HAMES, ANDERSON, WHITLOW & O'LEARY, P.S.
22 Attorneys for Chelan Douglas Regional Port
23 Authority, formerly the Port of Douglas County

24 By: /s/ William L. Hames
25 WILLIAM L. HAMES, WSBA #12193

LIMITED OBJECTION TO CHAPTER 11
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